

## Eventful week ahead; outcome to determine the near-term trend

### Sensex (35673) / Nifty (10694)



Source: Trading View

### Future outlook

While the expiry week ended on a promising note, the market participants were completely baffled with the market moves in the week gone by. The earlier breakout zone of **10770-10800** was expected to act as a support on the pullback moves, but a plunge in the global markets kept the market participants baffled and the index breached the range with a gap. A broad market sell-off dragged the index below the **10600** mark during the week, although, a pullback move on the last trading session resulted in the weekly closing around the **10700** mark.

All eyes are now on the outcome of the results of the five state elections which are slated to be announced on Tuesday, December 11. Along with this, the verdict of the BREXIT deal will be on the same day which could keep the global markets on the toe. Both these events are likely to have a significant impact on our markets and hence, this could well be the week which would determine the short to medium term trend for our markets. Due to the uncertainty of the outcome of the mentioned events, traders should stay on the sidelines and be vigilant of the market moves. As far as levels are concerned, the near term support for Nifty is placed around **10489**, and a breach of this could result into a sharp correction. On the flipside, the recent high of **10890 – 10940** is the resistance end which if breached, would lead this upmove towards, **11080** mark. Short term traders can take a directional bet only on breach of the mentioned range with a proper exit strategy.

Amongst the sectoral indices, the Nifty bank index rebounded higher from its support zone in Friday's session. In case the market moves higher in the coming week, then this could be the outperforming index and traders should hence be watchful on stock from this sector.

## No bearish bets in the banking index

Nifty spot closed at **10693.70** this week, against a close of **10876.75** last week. The Put-Call Ratio has decreased from **1.70** to **1.47** and the annualized Cost of Carry is positive at **7.07%**. The Open Interest of Nifty Futures increased by **14.87%**.

### Derivatives View

Nifty current month future closed with a premium of **41.45** points against a premium of **23.90** points to its spot. Next month future is trading with a premium of **86.50** points.

As far as Nifty options activities for the week are concerned, some build-up was seen in **10800- 11200** call options. On the flip side, **10300** and **10600** put options added good amount of open interest. Maximum open interest for December series now stands at **11000** call and **10000** put options.

We started-off last week above **10900** mark but index couldn't manage to sustain at these higher levels and we saw strong selling pressure to bring index below **10600**. Some respite on Friday lead to closing with a loss of **1.68%**. During the week, we saw fresh shorts in Nifty futures; whereas, some long unwinding took place in Banking index. On Friday's recovery, we saw some fresh writing in **10600** put options along with unwinding in OTM call options. As we have the state election poll result in the coming week, traders are advised avoiding any kind of aggressive directional positions and remain hedged for the time being.

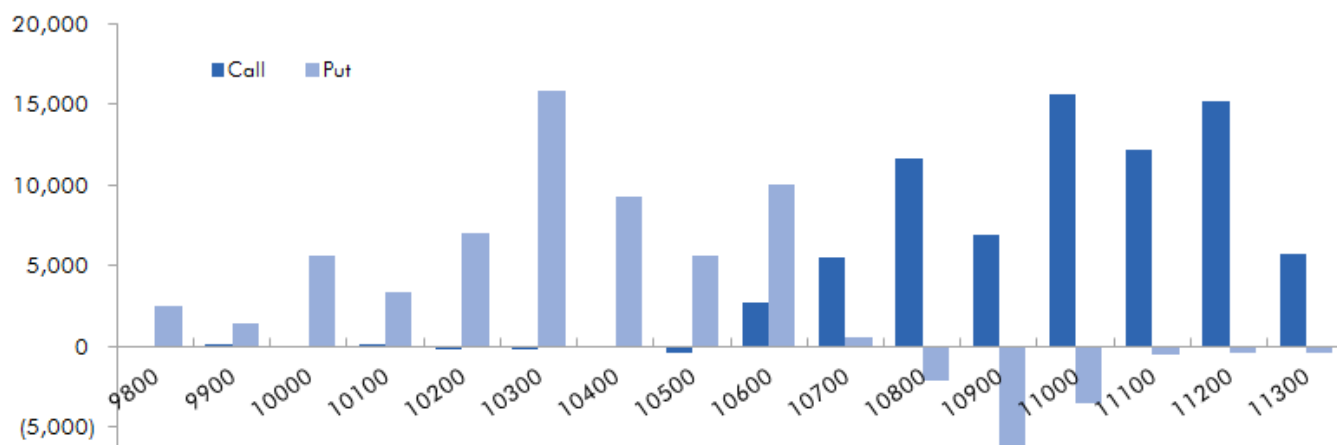
### Long Formation

Scrip	OI Futures	OI Chg (%)	Price	Price Chg (%)
RECLTD	48516000	12.93	105.00	4.74
TATAPOWER	44550000	7.84	79.70	4.66
PFC	51206400	24.60	89.45	4.44
KOTAKBANK	12315200	7.88	1285.60	4.28
HINDUNILVR	9844800	19.12	1833.35	3.85

### Short Formation

Scrip	OI Futures	OI Chg (%)	Price	Price Chg (%)
SUNPHARMA	61506500	58.49	413.05	(16.32)
DISHTV	64280000	54.16	33.65	(12.26)
ALBK	17212000	7.17	43.30	(10.81)
BHARATFORG	9990000	16.01	508.35	(10.25)
JETAIRWAYS	4854800	11.98	271.85	(10.10)

### Weekly change in OI



## Technical and Derivatives Team:

---

Sameet Chavan	Chief Analyst – Technical & Derivatives	sameet.chavan@angelbroking.com
Ruchit Jain	Technical Analyst	ruchit.jain@angelbroking.com
Rajesh Bhosale	Technical Analyst	rajesh.bhosle@angelbroking.com
Sneha Seth	Derivatives Analyst	sneha.seth@angelbroking.com

---

Research Team Tel: 022 - 39357600

Website: [www.angelbroking.com](http://www.angelbroking.com)For Technical Queries E-mail: [technicalresearch-cso@angelbroking.com](mailto:technicalresearch-cso@angelbroking.com)For Derivatives Queries E-mail: [derivatives.desk@angelbroking.com](mailto:derivatives.desk@angelbroking.com)**DISCLAIMER**

Angel Broking Limited (hereinafter referred to as "Angel") is a registered Member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited and Metropolitan Stock Exchange Limited. It is also registered as a Depository Participant with CDSL and Portfolio Manager and Investment Adviser with SEBI. It also has registration with AMFI as a Mutual Fund Distributor. Angel Broking Limited is a registered entity with SEBI for Research Analyst in terms of SEBI (Research Analyst) Regulations, 2014 vide registration number INH000000164. Angel or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities Market. Angel or its associates/analyst has not received any compensation / managed or co-managed public offering of securities of the company covered by Analyst during the past twelve months.

This document is solely for the personal information of the recipient, and must not be singularly used as the basis of any investment decision. Nothing in this document should be construed as investment or financial advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in the securities of the companies referred to in this document (including the merits and risks involved), and should consult their own advisors to determine the merits and risks of such an investment.

Reports based on technical and derivative analysis center on studying charts of a stock's price movement, outstanding positions and trading volume, as opposed to focusing on a company's fundamentals and, as such, may not match with a report on a company's fundamentals. Investors are advised to refer the Fundamental and Technical Research Reports available on our website to evaluate the contrary view, if any.

The information in this document has been printed on the basis of publicly available information, internal data and other reliable sources believed to be true, but we do not represent that it is accurate or complete and it should not be relied on as such, as this document is for general guidance only. Angel Broking Limited or any of its affiliates/ group companies shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. Angel Broking Limited has not independently verified all the information contained within this document. Accordingly, we cannot testify, nor make any representation or warranty, express or implied, to the accuracy, contents or data contained within this document. While Angel Broking Limited endeavors to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so.

This document is being supplied to you solely for your information, and its contents, information or data may not be reproduced, redistributed or passed on, directly or indirectly.

Neither Angel Broking Limited, nor its directors, employees or affiliates shall be liable for any loss or damage that may arise from or in connection with the use of this information.